



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

January 25, 2023

ROBERT PHILLIPS, III, TREASURER
NEHLS FOR CONGRESS
PO BOX 16968
SUGAR LAND, TX 77496

Response Due Date
03/01/2023

IDENTIFICATION NUMBER: C00730150

REFERENCE: 30 DAY POST-GENERAL REPORT (10/20/2022 - 11/28/2022)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 5 item(s):

1. Your committee filed a 48-hour notice disclosing a "last minute" contribution from "The Farm Credit Council Political Action Committee" on 11/4/2022. Only a partial amount of this contribution has been disclosed on Schedule A of this report. Please amend your report to include the entire amount of this contribution or provide an explanation of this apparent discrepancy. (11 CFR § 104.3(a)(4)(i))
2. Schedule A of your report discloses contributions through a conduit but fails to disclose the original earmarked contributions. Please be advised that when a committee receives an earmarked contribution(s) through an allowable conduit, each individual contribution should be itemized when the individual's total contributions to your committee aggregate over \$200 per election cycle. This itemization must include the full name, address, occupation, and employer of the individual contributor along with the date the contribution was received by the conduit. Any un-itemized contributions from individuals received through the conduit should be included in your totals on Line 11(a)(ii) of the Detailed Summary Page. Contributions from political party committees, PACs, authorized committees, or any political committee must be itemized, regardless of the amount contributed.

In addition, the total contribution(s) received through the conduit should be itemized on Schedule A as a memo entry. The conduit's full name and address (and occupation and employer if the conduit is an individual) must also be

NEHLS FOR CONGRESS

Page 2 of 4

provided, along with the date the contribution(s) was received by your committee and the total amount of earmarked contributions received from the conduit. Please amend your report to include the missing information. If itemization is not necessary, please indicate so in an amendment to this report. (11 CFR §§ 110.6(c)(2) and 104.3(a)(3))

3. Commission Regulations require that a committee discloses the identification of all individuals who contribute in excess of \$200 in an election cycle. (11 CFR § 104.3(a)(4)(i)) Identification for an individual is defined as the full name (initials for first or last name are not acceptable), complete mailing address, occupation, and name of employer. (11 CFR § 100.12) Your report discloses contributions from individuals for which the identification is not complete.

The following employer and occupation entries appear on your report and are not considered acceptable: "(blank) / (blank)" and "Info Requested / Info Requested."

You must provide the missing information, or if you are unable to do so, you must demonstrate that "best efforts" have been used to obtain the information. To establish "best efforts," you must provide the Commission with a detailed description of your procedures for requesting the information. Establishing "best efforts" is a three-fold process.

First, your original solicitation must include a clear and conspicuous request for the contributor information and must inform the contributor of the requirements of federal law for the reporting of such information. (11 CFR § 104.7(b)(1)) See 11 CFR § 104.7(b)(1)(i)(B) for examples of acceptable statements regarding the requirements of federal law.

Second, if the information is not provided, you must make one follow-up, stand alone effort to obtain this information, regardless of whether the contribution(s) was solicited or not. This effort must occur no later than 30 days after receipt of the contribution and may be in the form of a written request or an oral request documented in writing. (11 CFR § 104.7(b)(2)) The requests must:

- clearly ask for the missing information, without soliciting a contribution;
- inform the contributor of the requirements of federal law for the reporting of such information, and
- if the request is written, include a pre-addressed post card or return envelope.

Third, if you receive contributor information after the contribution(s) has been reported, you should either a) file with your next regularly scheduled report, an amended memo Schedule A listing all the contributions for which additional

NEHLS FOR CONGRESS

Page 3 of 4

information was received; or b) file on or before your next regularly scheduled reporting date, amendments to the report(s) originally disclosing the contribution(s). (11 CFR § 104.7(b)(4))

Please amend your report to provide the missing information or a detailed description of your procedures for requesting the information. For more information on demonstrating "best efforts," please refer to the Campaign Guide.

4. On Schedule B supporting Line 17 of your report, you have itemized disbursements for which you have failed to include the **address and purpose**. Please amend your report to include the missing information. (11 CFR § 104.3(b)(4))

Additional clarification regarding purposes of disbursement and a non-exhaustive list of acceptable purposes are available on the FEC website at <http://www.fec.gov/help-candidates-and-committees/purposes-disbursement/>.

5. Schedule B of your report discloses reimbursements to individuals for the following disbursement(s): "Expense Reimbursement." Please be advised that when itemizing reimbursements to individuals for goods or services, if the payment to the original vendor aggregates in excess of \$200 in an election cycle, a memo entry including the name and address of the original vendor, as well as the date, amount and purpose of the original purchase must be provided. Please amend your report to include the missing information on Schedule B and clearly identify each memo entry supporting a reimbursement. If itemization is not necessary, you must indicate so in an amendment to this report. (11 CFR §§ 104.3(b)(4)(i) and 104.9, and Advisory Opinions 1992-1 and 1996-20, footnote 3)

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

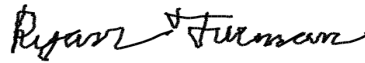
Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. For information about the report review process or specific filing information for your committee type, please visit

NEHLS FOR CONGRESS

Page 4 of 4

www.fec.gov/help-candidates-and-committees. For more information about Requests for Additional Information (RAI), why you received a letter, and how to respond, please visit www.fec.gov/help-candidates-and-committees/request-additional-information. Should you have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1151.

Sincerely,

A handwritten signature in black ink that reads "Ryan Furman". The signature is written in a cursive, flowing style.

Ryan Furman
Sr. Campaign Finance & Reviewing Analyst